



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

January 12, 2017

John Hogarth
Plant Manager, Vernon
Exide Technologies
2700 S. Indiana Street
Vernon, CA 90058

Re: Applicability Determination – National Emission Standards for Hazardous Air Pollutants from Secondary Lead Smelting (40 C.F.R. Part 63, Subpart X) – Exide Facility in Vernon, California

Dear Mr. Hogarth:

This letter is in response to your formal request, dated December 14, 2016, for a determination concerning the continuing applicability of 40 C.F.R. Part 63, Subpart X, the National Emission Standards for Hazardous Air Pollutants from Secondary Lead Smelting (Subpart X) to Exide Technologies' (Exide) facility in Vernon, California (Vernon Facility). More specifically, you indicate in your letter that operations have permanently ceased at the Vernon Facility and Exide is closing the facility under the regulations adopted by the California Department of Toxic Substances Control (DTSC) and the South Coast Air Quality Management District (SCAQMD). Consequently, you believe that the Vernon Facility is no longer subject to Subpart X because it is not a "secondary lead smelter" as defined by the rule.

Your analysis of this issue, and the attachments that you have included with your letter, have been reviewed and considered by the United States Environmental Protection Agency (EPA). We have also conducted our own evaluation of the matter and agree that, based on the information provided, the Vernon Facility is no longer a "secondary lead smelter" subject to Subpart X. This determination is based on the following:

- (1) Exide cannot physically operate as a secondary lead smelter because:
 - a. Exide has permanently disabled both the blast and reverb furnaces and associated equipment that supplied lead for the smelting process; and
 - b. Exide has removed all process feed from the site, and has had no feed onsite since at least September 2015.
- (2) Exide cannot legally operate as a secondary lead smelter because:
 - a. In response to Exide's April 2015 notice of closure, in May 2015 DTSC terminated Exide's Interim Status authorization; and

- b. On July 24, 2015, Exide submitted an application to the SCAQMD to surrender all of its permits to operate the smelting equipment (e.g., the reverberatory and blast furnaces).
- (3) On December 8, 2016, DTSC approved Exide's Final Closure Plan.

In light of these factors, as well as other relevant considerations, including the fact that Exide has not actually operated any smelting equipment at the facility since March 2014, the EPA agrees that the Vernon Facility is no longer a "secondary lead smelter" for purposes of Subpart X and, therefore, no longer an affected source under the rule. *See* 40 C.F.R. § 63.542 (defining "secondary lead smelter" as "any facility at which lead-bearing scrap material, primarily, but not limited to, lead-acid batteries, is recycled into elemental lead or lead alloys by smelting," and "smelting" as "the chemical reduction of lead compounds to elemental lead or lead alloys through processing in high-temperature (greater than 980 Celsius) furnaces . . ."). If at any point in the future the Vernon Facility engages in lead smelting (e.g., by re-firing the lead kettles), it would again become subject to Subpart X.

If you have any questions regarding this response, you may contact Matt Salazar of my staff at (415) 972-3982 or by e-mail at Salazar.Matt@epa.gov.

Sincerely,



Kathleen H. Johnson
Director
Enforcement Division

cc: Mohsen Nazemi, DTSC
Laki Tisopulos, SCAQMD